

Executive Summary



Bill Purcell Mayor



May 23, 2003

Dear Fellow Citizens:

I am happy to recommend a balanced budget of \$1.35 billion for the Metropolitan Government for fiscal year 2004. This budget reflects the strong consensus in our city on our priorities to:

- Fully fund our schools
- Assure public safety
- Provide a quality of life that enhances our community and neighborhoods
- Provide a fair and sustaining income for our employees

This budget continues to move Nashville ahead on our objectives and priorities in this year and the years ahead. It is a conservative budget that balances the needs of the city with the resources available. Details of the proposed budget have been described in my State of Metro address, the Finance Director's budget presentation, the Citizens' Guide to the Budget web site at www.nashville.gov, and later in this book.

In the middle of this spring's budget preparation process, we celebrated the 40th anniversary of Metropolitan Government. Shortly thereafter, the executive, legislative, and judicial branches of the government began to move to temporary quarters to accommodate the three-year renovation of the Metro Courthouse, built in 1937 as the Davidson County Court House and Public Building. Accordingly, we celebrate the government's anniversary and its Courthouse in this book.

Sincerely,

Bill Purcell
Mayor

Office of the Mayor
Metropolitan Courthouse
Nashville, Tennessee 37201
Phone 615.862.6000
Fax 615.862.6040
mayor@metro.nashville.org

Executive Summary

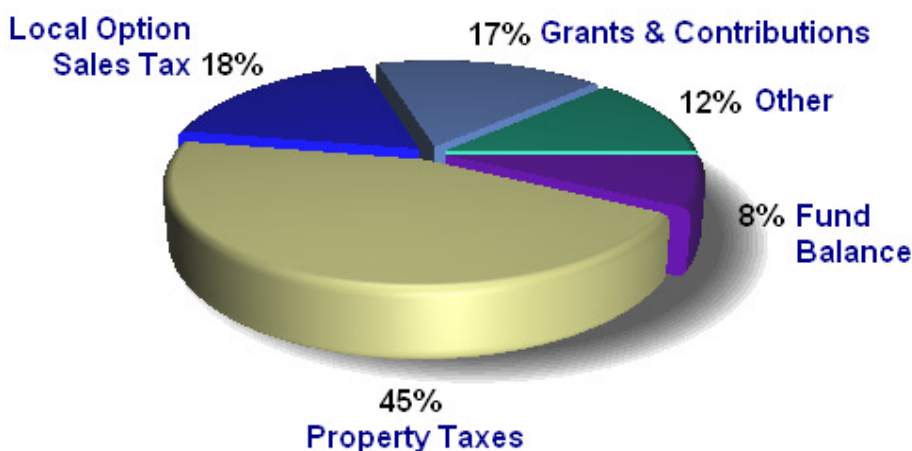


At a Glance

The \$1.35 billion FY 2004 budget for the Metropolitan Government's six budgetary (tax-supported) funds supports a wide range of public services. This budget represents a 3% increase over the budget passed a year ago.

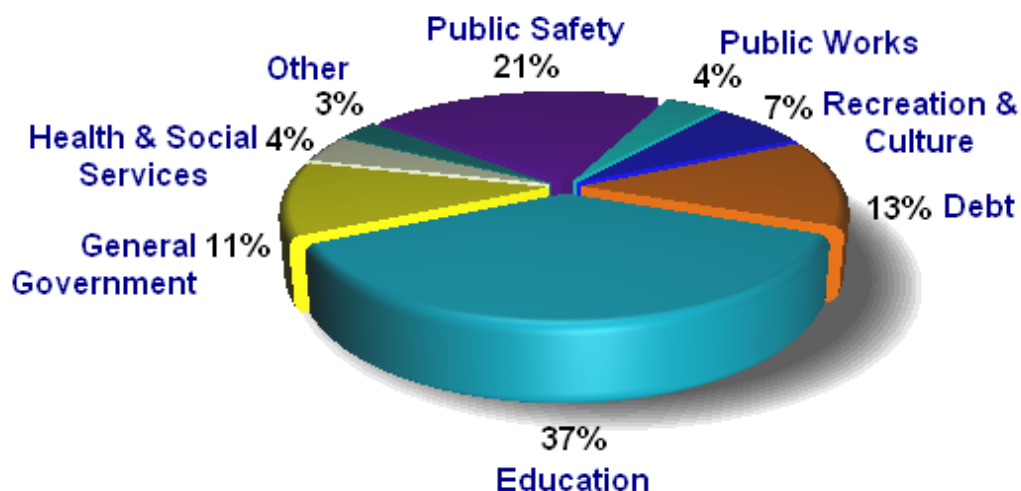
Revenues

Where the Money Comes From
Total \$1,352,210,300



Expenditures

Where the Money Goes
Total \$1,352,210,300



Executive Summary



Summary of the FY 2004 Budget – Six Budgetary Funds

	<u>GSD General Fund</u>	<u>GSD Debt Service</u>	<u>GSD School Debt Svc</u>	<u>GSD School Fund</u>	<u>USD General Fund</u>	<u>USD Debt Service</u>	<u>Duplicated by Interfund Transfers</u>	<u>Total</u>
Estimated Revenues:								
Property Taxes	268,365,100	57,717,700	26,845,400	173,582,600	73,971,500	9,234,300	-	609,716,600
Local Option Sales Tax	77,622,200	2,121,600	14,561,900	142,518,100	1,055,900	-	-	237,879,700
Grants & Contributions	68,102,600	1,159,300	-	154,498,100	8,574,500	-	-	232,334,500
All Other Revenues	133,067,600	13,332,300	1,107,800	7,325,500	11,541,400	7,984,500	(7,283,300)	167,075,800
Fund Balance Appropriated	<u>35,707,900</u>	<u>21,048,600</u>	<u>12,386,700</u>	<u>24,975,700</u>	<u>6,767,300</u>	<u>4,317,500</u>	<u>-</u>	<u>105,203,700</u>
Total Revenues	<u>582,865,400</u>	<u>95,379,500</u>	<u>54,901,800</u>	<u>502,900,000</u>	<u>101,910,600</u>	<u>21,536,300</u>	<u>(7,283,300)</u>	<u>1,352,210,300</u>
Appropriated Expenditures:								
General Government	106,801,000	-	-	-	25,568,300	-	(952,000)	131,417,300
Fiscal Administration	22,052,000	-	-	-	-	-	-	22,052,000
Administration of Justice	45,251,000	-	-	-	-	-	-	45,251,000
Law Enforcement & Jails	155,745,400	-	-	-	481,000	-	(481,000)	155,745,400
Fire Prevention & Control	30,538,900	-	-	-	56,932,300	-	-	87,471,200
Regulation & Inspection	34,524,000	-	-	-	1,288,600	-	-	35,812,600
Conservation of Resources	450,600	-	-	-	-	-	-	450,600
Social Services	14,264,500	-	-	-	-	-	-	14,264,500
Health & Hospitals	43,454,100	-	-	-	-	-	-	43,454,100
Public Libraries	18,596,900	-	-	-	-	-	-	18,596,900
Recreational & Cultural	74,327,500	-	-	-	135,400	-	-	74,462,900
Public Works (General)	36,859,500	-	-	-	17,505,000	-	-	54,364,500
Education	-	-	-	502,900,000	-	-	(2,448,000)	500,452,000
Debt Service	-	95,379,500	54,901,800	-	-	21,536,300	(3,402,300)	168,415,300
Reserves	-	-	-	-	-	-	-	-
Total Expenditures	<u>582,865,400</u>	<u>95,379,500</u>	<u>54,901,800</u>	<u>502,900,000</u>	<u>101,910,600</u>	<u>21,536,300</u>	<u>(7,283,300)</u>	<u>1,352,210,300</u>
Projected Surplus or (Defic	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Comparison of the FY 2003 and FY 2004 Budget Ordinances - Six Budgetary Funds

	<u>FY 2003</u>	<u>FY 2004</u>	<u>Increase</u>	<u>% Incr</u>
GSD General Fund	\$ 577,286,123	\$ 582,865,400	\$ 5,579,277	0.97%
GSD Debt Service Fund	86,156,978	95,379,500	9,222,522	10.70%
GSD Schools Fund	477,600,000	502,900,000	25,300,000	5.30%
GSD Schools Debt Service Fund	56,415,991	54,901,800	(1,514,191)	-2.68%
USD General Fund	101,778,637	101,910,600	131,963	0.13%
USD Debt Service Fund	20,134,250	21,536,300	1,402,050	6.96%
Duplicated by Interfund Transfers	<u>(7,163,285)</u>	<u>(7,283,300)</u>	<u>(120,015)</u>	<u>1.68%</u>
Total Budget	<u>\$ 1,312,208,694</u>	<u>\$ 1,352,210,300</u>	<u>\$ 40,001,606</u>	<u>3.05%</u>

Executive Summary



Introduction

This Summary and the remainder of this book present the Metropolitan Government's balanced \$1.35 billion operating budget for FY 2004.

Budget Initiatives

This budget continues our improvements and initiatives in four major areas:

- To fully fund our schools
- To assure public safety
- To provide a quality of life that enhances our community and neighborhoods
- To provide a fair and sustaining income for our employees

Changes from the FY 2003 budget are detailed in the "Highlights" of each department's narrative. The major highlights are summarized below.

Public Education

School Fund Budget	
FY 2003	477.6 million
FY 2004	502.9 million
Increase	25.3 million

Over the last year, the Metro Board of Public Education developed and approved a systemwide strategic plan for 2003-2008 with a vision "to become the top-performing school district in the nation."

The public education budget was developed by the system's administrative staff and initially presented in draft format to the board for review. After receiving input from Community, Parents, Staff and Students, it was reviewed, adjusted, and approved by the Board. That budget is recommended to the Council.

The 5.3% budget increase advances the Board's mission through new expenditures and redirecting existing funds:

- Increases funding allocation to schools by 36% (from \$55 per student to \$75) and gives schools discretionary authority on how the money is spent to best meet their needs (instructional supplies, library materials, administrative supplies, etc.)
- Adds 42 middle school teachers to reduce class sizes and provide greater staffing flexibility in student scheduling
- Adds 17.5 school guidance counselor positions and 13 assistant principals
- Continues funding of International Baccalaureate Program implementation for 3 clusters
- Provides Essential Literature materials and increases funding for textbooks
- Provides funding for the opening of new schools and for School Improvement Plan program implementation
- Expands technology and technology support
- Provides full-time director position to manage magnet, enhanced option, design centers, and other optional programs
- Continues Reading Specialists at every elementary school
- Extends Credit Recovery Program and expands Renaissance School
- Adds 94 English Language Learner (ELL) teachers
- Provides full-time Information Call Center
- Continues Focus On Achievement Program
- Adds more campus supervisors, bus drivers, school custodians, maintenance personnel, and supplies
- Begins providing high school band uniforms on a rotating cycle
- Continues teacher recruiting efforts and provides pre-service training for newly hired teachers



Executive Summary



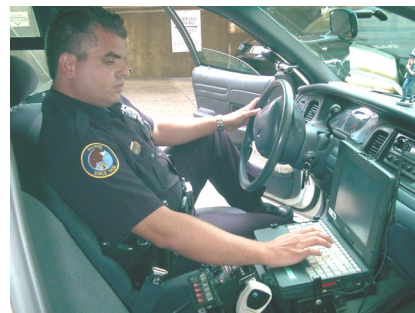
- Increases parental communication efforts and provides for strategic plan surveys
- Adds drop-out prevention and attendance improvement programs
- Continues Principal Leadership Academy
- Funds increase (16.5%) in employee insurance costs
- Funds increase (40%) in support employee pension costs
- Provides funding for employee raises

Public Safety

Public Safety Budget (both General Funds)	
FY 2003	293.6 million
FY 2004*	298.2 million
Increase	4.6 million

* Police, Fire, Justice Administration, & Emergency Communications Center Budgets, after moving \$14.6 million to another fund.

Metro continues to focus on assuring that our citizens are safe by providing the necessary personnel, training, and equipment to our Police, Fire, Office of Emergency Management and related Health programs. The numbers in the table at left reflect the movement of the cost of incarcerating locally-sentenced felons from the general fund to a special purpose fund; after adjusting for that, the function's budget increased \$19.2 million, or 6.6%.



The 2004 budget targets:

- Consolidation of Police and Fire communications into an Emergency Communications Center, with improvements \$563,300
- Police overtime pay for community policing, traffic calming, and special events 1,146,400
- Police training, radio equipment, school crossing guards, and School Resource Officers for two new middle schools 119,100
- Operating costs for the new North Nashville precinct 123,900
- Mental health transportation to free up patrol officers 120,000
- Other police improvements for physical examinations, information technology, equipment, and other improvements 977,100
- Sheriff's Office Day Reporting Center, transition team to transport prisoners to and from the courts relocated to MetroCenter, and other ongoing expenses 1,229,800
- Fire Department paramedic cross-training 939,400
- Creation of a Prison Population Projection Unit 455,300

Neighborhoods and Community Support

Recreational, Cultural, Public Works, Libraries, & Social Services Budget	
FY 2003	166.2 million
FY 2004	161.8 million
Increase	-4.4 million

The continuing focus on supporting our neighborhoods and striving to ensure a high quality of life cuts across all of our priorities. The city has made much progress along these lines in FY 2003. The Parks master plan will guide our investments in parks, greenways and the like as we enter the second 100 years of our Parks system. The master plan for sidewalks will guide unprecedented levels of sidewalk construction across Metro Nashville. The household recycling program is diverting a greater portion of our waste stream from our landfills to commercial re-use. Community clean-ups are improving the beauty and livability of neighborhoods throughout Metro Nashville.



Executive Summary



The FY 2004 budget continues to directly focus on our daily lives, including:

- Additional Health Department staff for immunizations \$55,100
- Historic Zoning staff and newsletter 61,600
- Three additional rangers for additional parks and greenways 116,400
- Contributions to the arts 250,000
- Human Relations compliance enforcement, diversity training, and race relations 58,700
- Project Neighborhood After-care 100,000
- Second Harvest Food Bank 200,000
- United Way Family Resource Centers 109,000
- Health Care Access / Bridges to Care 215,900
- Medical Examiner's Office contract increase 325,000

Pay Plan/Benefit Adjustments

Two years ago, Metro commissioned Mercer Inc. to conduct a comprehensive review of employee compensation government-wide to determine Metro's salary competitiveness. The report made recommendations for adjustments in many areas to achieve a market position that helps recruit, retain and reward employees for performance. The highlights included significant salary adjustments for public safety positions and certain others, across the board increases for all employees, and pay for performance. The new plan was initiated in FY 2002.

The FY 2004 budget continues funding required to fully implement the third year of the pay plan, including increments, effects on exception pay (such as overtime), and pay-related benefits. These additional costs for the two general funds are included in departments' budgets.

- Pay Plan Improvements (general funds) \$17,500,000

The FY 2004 budget also sets aside funding for benefit adjustments in anticipation of increased pension contributions and health insurance costs for employees and retirees effective in January 2004. These costs are budgeted centrally and have not been distributed to departments' budgets.

- Health benefits (pensioners and general fund employees) \$10,407,600
- Pension contributions (general fund employees) 6,484,900

Other Enhancements

In preparing the FY 2004 budget, the administration carefully scrutinized departmental budgets and operations. Changes were made to the budgets of many programs and services, often to keep our prior commitments. A few of the changes include:

- Costs of moving courts and administrative offices to renovate the courthouse, including security at temporary facilities \$656,100
- Rent for offices displaced by the Courthouse renovation 2,255,300
- Correctional health services 492,500
- Public Television 1,081,100
- Contingency for Utility Increases 1,032,000
- Natural Gas Franchise Renewal 200,000
- MTA Subsidy 1,993,000
- Full-year operation of the Office of Fleet Management, funded through fees charged to other departments for their use of Fleet vehicles.
- Funding for the FY 2004 primary and general election schedule.

Executive Summary



These initiatives will be addressed while ensuring the government meets its fundamental objectives of maintaining balanced budgets, keeping taxes low, and investing in Nashville's future.

Strategic Issues

Two primary issues affect this budget: the economy and the State of Tennessee's budget.

The economy has continued to be sluggish, as perhaps best summarized by one sentence: "The turnaround in economic activity that was expected to occur in the summer of 2002 simply did not materialize."¹ The short-term outlook for Tennessee for 2003 into 2004 calls for slow improvement. Slow growth in jobs and personal income will propel continued weak growth in taxable sales. But, "With the nation pulling the economy forward, Tennessee is expected to enjoy somewhat stronger rates of growth through the short-term forecast horizon extending out to the fourth quarter of 2004."²

"Nashville's economic climate remains sunnier than that of the state, southeast region, and nation,"³ with growth above that of most comparable cities, and unemployment less than the state average. Service industries and tourism have shown some relative strength, while production, transportation, and wholesale trade sectors have been weaker. That would mean flat or incremental improvement in calendar year 2003, with more growth in the last part of the year than in the first.

The slowing economy is compounding the budgetary stress of the State of Tennessee, which is further causing challenges for the Metro budget.

Recent state budgets have relied on overoptimistic revenue and expenditure estimates, resulting in annual decreases in the state's reserves. In its fiscal year 2002-2003 budget, the State dismissed options that included drastic cuts in State services, a tax on earned income, and cuts in revenues shared with local governments including Nashville, but balanced the budget with a package that included a 1¢ state sales tax increase on most items but did not cut funding to cities and counties. However, the slow-growing economy has failed to generate the expected state sales taxes.

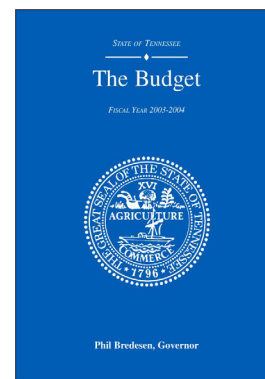
For Fiscal Year 2003-04, Governor Phil Bredesen has proposed a budget that is based on using more conservative estimates and spending only the revenues the state expects to collect. It does not rely on new taxes and actually decreases state appropriations. It achieves this by recommending 9% across-the-board reductions in a range of areas including state agencies and departments and revenues the state shares with local governments.⁴ This affects Metro in two ways: by cutting back state-shared revenues – certain local revenues that have been collected by the state – and by cutting back state funding of grants that provided services to Nashvillians through Metro departments.

The state budget had not been passed as this book went to press.

State Revenues Shared with Cities and Counties

Sales and Use Tax
Gasoline Tax
Motor Fuel Tax
Gasoline Inspection Tax
Income Tax
Gross Receipts Tax - TVA
Beer Excise Tax
Alcoholic Beverage Tax
Excise Tax
Mixed Drink Tax
Severance Tax

From *State of Tennessee Budget 2003-2004*, Distribution of Estimated Revenue by Fund table p. A-109



¹ *An Economic Report to the Governor of the State of Tennessee on the State's Economic Outlook*, University of Tennessee Center for Business and Economic Research, February 2003, page ix.

² *Ibid* page 13.

³ *Midstate Economic Indicators*, Middle Tennessee State University Business and Economic Research Center, Spring 2003, page 1.

⁴ See Governor Bredesen's Fiscal 2003-04 Budget Message at www.state.tn.us/governor/Budget/Budget%20Briefing.pdf

Executive Summary



Results Matter



Metro is deploying a government-wide strategic planning and performance measurement initiative through the Office of Management and Budget in the Department of Finance. This began in 2002 and will continue beyond 2004.

The initiative, called "Results Matter," seeks to introduce the managing for results methodology into the systems and culture of all parts of the Metro government. Once implemented, this initiative will help to provide tools and data needed for every employee to focus on delivering results for customers. Benefits to be realized from this implementation include:

- Needed information is available to manage and make good business decisions to produce results
- The culture of the Department can be more tightly focused on producing results for customers – and not on internal processes
- The organization becomes aligned so everyone knows how they contribute at all levels
- The budget is organized along the lines of programs and results.
- Better results are produced for citizens

Managing for results focuses managerial systems and organizational culture on results generated for customers. In a structured strategic business planning process, departments identify not only the strategic issues they face and their needed responses to those challenges but also provide a comprehensive analysis of the results each department produces for its customers. The intensive process is led by trained "Black Belt" facilitators, who are department-provided volunteers trained extensively in the methodology. This approach dramatically reduces our dependence on outside consultants and significantly contributes toward building departments' internal managerial capacity.

Once a department has completed its Strategic Business Plan, the structure outlined in that plan – a structure built around and tightly focused on results for customers – is used as the basis for changes in key managerial systems to align them around results for customers. Key examples include:

- *Budgeting*: The budget is organized so that resources are tied to the results they produce, rather than around traditional accounting structures.
- *Performance Management*: Employees have data on the results they are generating for customers, and can be recognized and rewarded accordingly.

Departmental plans will be reviewed, tracked, and reported to citizens, employees, and Metro's leadership to support more informed decisions at all levels of the organization. Over the next three years, Metro will begin to integrate best practices of governments across the nation for delivering what matters most to its customers – results.

Results Matter is being implemented through a multi-year approach. The first eleven departments – "Wave One" – went through the planning process during FY 2003 and present their first results-oriented budgets in this FY 2004 book. Those departments can be identified by the Results Matter logo in the upper-right corner of each of their pages in this book. Since Results Matter redefines programs and results, those departments do not present prior-years' performance measures for comparison. Some, in fact, are still developing the baseline data for their new measures.

Wave Two departments will begin their planning process through calendar year 2003. Due to implementation schedules, many – but not all – will be included in the FY 2005 budget book in their new format.

Wave One Departments

Plans completed in 2002 & 2003
Program budgets begin in FY 2004

Planning
Human Resources
General Services
Information Technology Services
Finance
Police
Fire
Public Works
Health
Library
Metro Transit Authority

Wave Two Departments

Plans completed in 2003 & 2004
Program budgets begin in FY 2004 & 2005

Law
Justice Information System
Office of Fleet Management
Caring for Children
Nashville Career Advancement Center
Sheriff's Office
Emergency Communications Center
Juvenile Court
Codes Administration
Metro Action Commission
Parks
Social Services
Water Services

Executive Summary



Revenues

The tone of any government's budget is always set by the availability of resources. Revenues and available fund balances must be able to support budgeted expenditures, and both the Metropolitan Charter and Tennessee Law prohibit deficit financing.

Property Taxes

Property Tax Budget	
FY 2003	\$610.0 million
FY 2004	\$609.7million
Increase	- \$0.3 million

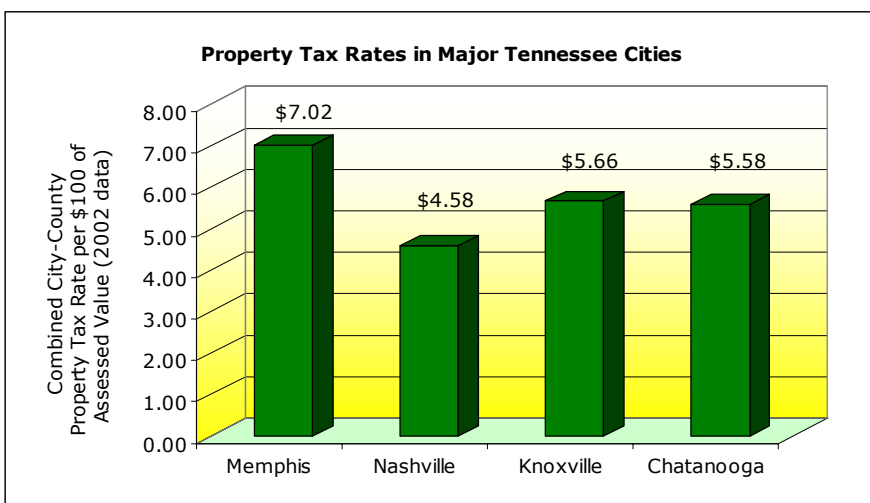
The FY 2004 budget anticipates continued moderate growth in property assessments. This budget keeps overall property tax rates unchanged from FY 2003.

The combined USD-GSD rate is the total paid for property in the USD; property outside the USD is taxed at the GSD rate. Residents of the satellite cities within Metro pay the GSD rate plus the rate set by that satellite city.

FY 2004 Property Tax Distribution (Rates per \$100 of Assessed Value)

District	Fund	Rate
GSD (General Services District)	General	\$1.94
	School General Purpose	1.27
	General Debt Service	.43
	Schools Debt Service	.20
Subtotal - GSD		\$3.84
USD (Urban Services District)	General	\$.64
	General Debt Service	.10
	Subtotal - USD	\$.74
Combined USD/GSD rate		\$4.58

Metro's property tax rates are the lowest of the four major Tennessee cities and competitive with those of surrounding communities.



(This chart does not reflect a proposed \$.43 tax rate increase in Shelby Co.)

Local Option Sales Tax

Sales Tax Budget	
FY 2003	243.7 million
FY 2004	237.9 million
Increase	- 5.8 million

The slow economic growth continues to have an immediate effects on sales tax collections and secondary effects on other revenue sources. We now project that those collections will total \$233 million and so not meet the FY 2003 budget estimate of \$243.7 million. The FY 2004 budget projects sales tax to grow about 2% over FY 2003 collections, to a total of \$237.9 million. If so, the FY 2004 budget for local option sales tax revenue is less than the FY 2003 budget.

The budget proposes no change in the rate of the 2.25% local option sales tax. It also proposes no change in its current distribution of 2/3 (1.50%) to schools (including schools debt service) and 1/3 (0.75%) to general purposes. (By State law, at least 1/2 of the local sales tax must be allocated to schools.) Each 1% of growth generates only \$1.5 million government-wide and only about \$460,000 in the GSD General Fund.

Executive Summary



Federal, State, and Other

Federal, State, & Other Gov't Agencies Budget	
FY 2003	240.0 million
FY 2004	232.3 million
Increase	- 7.7 million

Budgeted Federal, State, and Other revenues are based on our best estimates of revenues from specific sources. This category also includes other revenues, reimbursements, and grants from other organizations. Much of the decrease in these revenues comes from moving the State's jail inmate reimbursements from the GSD General Fund to a special purpose fund.

The Finance Department began moving most grant revenues and expenditures from the general funds to various grant special revenue funds in FY 2000. This will continue during FY 2004, although some of these revenues will remain in the GSD General Fund.

Other Local Revenues

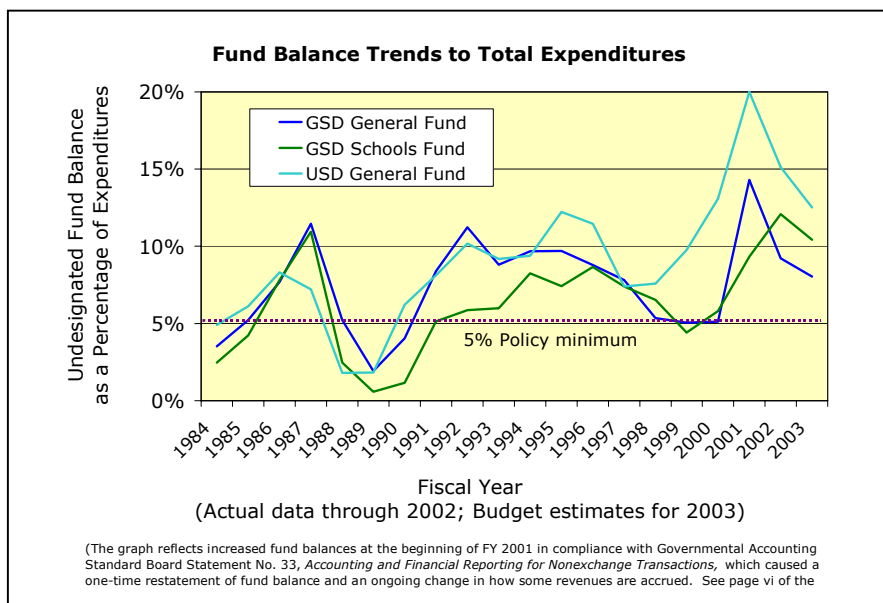
Other Revenues Budget	
FY 2003	149.8 million
FY 2004	167.1 million
Increase	17.3 million

Other revenues also include transfers from other funds. The increase in FY 2004 is due to a variety of new transfers, and recognizing \$4 million of Hotel Occupancy Tax as a transfer, not original revenue to the GSD General Fund.

Fund Balances

Fund Balance Appropriated	
FY 2003	68.7 million
FY 2004	104.6 million
Increase	35.9 million

The FY 2004 budget appropriates fund balances in various funds. Fund balances occur when revenues received are greater than expenditures. We normally see fund balances increase at the end of each year, and routinely appropriate some of that to support the next year's operating budget. Recently, additional money has been available because the FY 2002 property tax increase was designed to fund pay plan and schools programs that reach their maximum expenditures next year. This administration's practice has been to utilize excess funds for non-recurring expenditures rather than building fund balances.



Using conservative estimates, fund balances as a percentage of expenditures for the six budgetary funds should remain above the 5% minimum set by management to handle unanticipated contingencies.

Conclusion

The FY 2004 budget continues to meet our objectives of investing in Nashville's future with a balanced budget and low taxes.

Executive Summary



How This Book is Organized

This book divides budget information into different sections, each with its own series of page numbers.

Section A is this Executive Summary of the budget, followed by supplemental information about Metro, its organization, finances, and budget.

Sections B-H present more descriptive operational and budget information about each agency (department, board, commission, or elected office). These agencies are grouped by function into each section.

Information is presented differently for the program budgets of the Results Matter Wave One departments than it is for the more traditional budgets of the other departments.

Results Matter departments use a new program-based page format this year, different from the traditional format used by non-Wave I departments.

Traditional Agency Layout

1. The department begins with a table that summarizes the agency's mission, financial budget for all of its annually-budgeted funds, and top management contacts who can explain the budget.

2. The organization chart shows major agency units (divisions, bureaus, etc.) and how they report to the agency's top-level elected official or board.

3. Budget highlights summarize changes between the FY 2003 and 2004 budgets.

35 Agricultural Extension Service-At a Glance

	2001-02	2002-03	2003-04
Budget Summary			
Expenditures and Transfers:			
GSD General Fund	\$343,366	\$361,462	\$372,200
Total Expenditures and Transfers	\$343,366	\$361,462	\$372,200
Revenues and Transfers:			
Program Revenue			
Charges, Commissions, & Fees	\$0	\$0	\$0
Other Governments and Agencies	0	0	0
Other Program Revenue	0	0	0
Total Program Revenue	\$0	\$0	\$0
Non-program Revenue	0	0	0
Transfers From Other Funds and Units	0	0	0
Total Revenues	\$0	\$0	\$0

Positions Total Budgeted Positions: 1

Contacts Extension Director: Jim Johnson, email: jim_johnson@nashville.gov, 800 Second Avenue North, Suite 3 Nashville, TN 37201-1083, Phone: 862-5995

Organizational Structure

```
graph TD
    Mayor[Mayor] --> AgricultureCommittee[Agriculture Committee]
    Mayor --> ExtensionDirector[Extension Director]
    AgricultureCommittee --> ExtensionDirector
    ExtensionDirector --> AgricultureHorticulture[Agriculture/Horticulture/Community Resource Development]
    ExtensionDirector --> FamilyConsumer[Family and Consumer Science]
    ExtensionDirector --> FourH[4-H Program]
    ExtensionDirector --> ExpandedFood[Expanded Food and Nutrition Education Program]
```

Budget Highlights FY 2004

	2003	2004
Information Systems billings	9,800	9,800
Pay Plan/Benefit adjustments	900	900
Postal Service billings	0	0
Total	\$26,600	\$26,600

Overview

The Smith-Lever Act of 1914 established the Agricultural Extension Service (AES). It is the off-campus educational unit of the land grant universities: The University of Tennessee and Tennessee State University Agricultural Extension Service. It provides informal educational programs in agriculture, horticulture, family and consumer sciences, and supports and organizes 4-H programs.

AGRICULTURE/HORTICULTURE/COMMUNITY RESOURCE DEVELOPMENT

The Agriculture/Horticulture programs utilize direct client contact, group meetings, demonstrations and a variety of teaching resources to help farmers, landscapers, and homeowners adopt management practices that are economically and environmentally sound. Our plant pathology and soil testing laboratories located at Ellington Agricultural Center are used extensively, along with specialists from The University of Tennessee and Tennessee State University, to help solve problems for clients.

These educational programs not only help individuals and businesses, they also train volunteers that serve as an extension of the Extension Service.

The most successful program in the area of agriculture and horticulture is the Master Gardener program, which serves as a leader and a model for other Tennessee counties that are starting the program.

4-H PROGRAM

The 4-H Program encourages diverse groups of youth to develop their unique skills and talents to the fullest potential. Davidson County youth, ages 9-19, participate in 4-H through clubs, special interest groups, after school programs, camps, and many other activities. "Learning by doing" through hands-on activities and community involvement empowers 4-H members to develop and strengthen life skills.

Davidson County 4-H clubs have produced many state and national winners in project competition.

4-H is changing to meet the needs of today's youth. Programs are offered in workforce development, character education, communication skills, volunteer development and leadership development. Learning opportunities are available in more than 50 project areas.

The Tennessee Nutrition and Consumer Education Program is a federally funded program that covers food security, food safety, shopping behavior/food resource management, dietary quality, and system and environmental change issues for food stamp eligible persons. The program goal is that food stamp eligible individuals and families will gain knowledge and skills needed to reduce the risk of inadequate nutrition while becoming empowered to move toward self-sufficiency. This goal will be accomplished by helping families effectively use food stamps and related resources.

The Expanded Food and Nutrition Education Program (EFNEP) helps families eat healthy on a limited budget in Davidson County. EFNEP is a federal and state funded program that provides nutrition education to low-income residents in Davidson County.

Master Gardener judging a community club garden

Volunteers conduct demonstrations at many events including the Nashville Lawn & Garden Show and the Tennessee State Fair.

Davidson County Master Gardeners carry out many organized projects and have received numerous awards and recognition including the Search for Excellence award at the 2001 International Master Gardener Conference in Orlando, Florida. www.mastergardener.net/tndavidson

Metropolitan Nashville / Davidson County FY 2004 Recommended Budget

www.nashville.gov

G - 26

4. The overview describes the activities of each major agency unit listed in the organization chart. The headings tie back to the organization chart. Graphs and photographs highlight certain activities.

Executive Summary



Traditional Agency Layout

35 Agricultural Extension Service-Performance

Objectives	Performance Measures	FY 2002 Budget	FY 2002 Actuals	FY 2003 Budget	FY 2004 Budget
AGRICULTURE/HORTICULTURE/COMMUNITY RESOURCE DEVELOPMENT					
1. Provide research-based information and teaching in the area of agriculture and horticulture to encourage the adoption of management practices that are economically and environmentally sound for the citizens and businesses of Davidson County.	a. Educational classes (number attending)	7,500	5,394	7,500	7,500
	b. Educational demonstrations (number attending)	1,000	3,784	1,000	2,500
	c. Other educational contacts (on-site visit, office visit, telephone)	3,500	3,271	3,500	3,500
	d. Number Master Gardeners completing training (calendar year)	150	145	150	150
	e. Master Gardener volunteer hours reported (calendar year)	14,000	14,867	14,000	15,000
FAMILY AND CONSUMER SCIENCES					
1. Provide Family and Consumer Sciences information to families and individuals through various educational tools.	a. Educational classes (number attending)	2,700	15,663	10,000	11,000
	b. FCE members/leaders	480	305	400	350
	c. Consumer educational requests	1,600	1,600	1,675	1,680

4-H PROGRAM

- 4-H members will participate in research-based extension educational experience that will stimulate members to gain knowledge, develop skills, and form positive attitudes to prepare to become capable, responsible and compassionate adult communications and workforce.

www.nashville.gov

35 Agricultural Extension Service

GSD General Fund

	Budget	FY 2002 Actuals	FY 2003 Budget	FY 2004 Budget
OPERATING EXPENSE:				
PERSONAL SERVICES	310,285	224,955	320,000	320,000
OTHER SERVICES:				
Utilities	0	0	0	0
Professional and Purchased Services	438	262	438	438
Travel, Tuition, and Dues	642	6	642	642
Communications	50	0	50	50
Repairs & Maintenance Services	1,214	0	1,214	1,214
Internal Service Fees	10,987	11,022	10,987	10,987
TOTAL OTHER SERVICES	13,331	11,290	20,233	20,233
OTHER EXPENSE	2,502	671	2,502	2,502
PENSION, ANNUITY, DEBT, & OTHER COSTS	17,248	14,176	17,248	17,248
EQUIPMENT, BUILDINGS, & LAND	0	6,402	0	0
SPECIAL PROJECTS	0	0	0	0
TOTAL OPERATING EXPENSE	343,366	257,494	361,462	361,462
TRANSFERS TO OTHER FUNDS AND UNITS	0	0	0	0
TOTAL EXPENSE AND TRANSFERS	343,366	257,494	361,462	361,462
PROGRAM REVENUE:				
Charges, Commissions, & Fees	0	0	0	0
Other Governments & Agencies				
Federal Direct	0	0	0	0
Fed Through State Pass-Through	0	0	0	0
Fed Through Other Pass-Through	0	0	0	0
State Direct	0	0	0	0
Other Government Agencies	0	0	0	0
Subtotal Other Governments & Agencies	0	0	0	0
Other Program Revenue	0	0	0	0
TOTAL PROGRAM REVENUE	0	0	0	0
NON-PROGRAM REVENUE:				
Property Taxes	0	0	0	0
Local Option Sales Tax	0	0	0	0
Other Tax, Licenses, & Permits	0	0	0	0
Fines, Forfeits, & Penalties	0	0	0	0
Compensation From Property	0	0	0	0
TOTAL NON-PROGRAM REVENUE	0	0	0	0
TRANSFERS FROM OTHER FUNDS AND UNITS	0	0	0	0
TOTAL REVENUE AND TRANSFERS	0	0	0	0

35 Agricultural Extension Service-Financial

	Class	Grade	FY 2002		FY 2003		FY 2004	
			Bud_Pos	Bud_FTE	Bud_Pos	Bud_FTE	Bud_Pos	Bud_FTE
Agricultural Extension - GSD Fund 10101								
Custodian 1	7280	TG03	1	0.4	1	0.4	1	0.4
Extension Agent 1	0240	SR02	1	1.0	1	1.0	1	1.0
Extension Agent 2	2410	SR03	3	3.0	3	3.0	3	3.0
Extension Agent 3	0090	SR06	3	3.0	3	3.0	3	3.0
Extension Director	1967	SR08	1	1.0	1	1.0	1	1.0
Office Support Rep 1	10120	SR04	2	2.0	2	2.0	2	2.0
Total Positions & FTE			11	10.4	11	10.4	11	10.4

5. Performance information measures achievement of objectives for each significant activity or service from FY 2002 to 2004. The information is organized by units on the organization chart. The data usually measure workloads, not accomplishment of results.

6. Financial schedules describe the department's expenditures and revenues. One page covers each of three types of funds that the agency may operate in:

- The GSD General Fund
- The USD General Fund
- Special-Purpose funds, with the combined total of annually-budgeted enterprise, internal service, special revenue, and similar funds.

Expenditures are grouped by object of expenditure. Revenues are grouped into program and non-program revenues associated with the department. These revenue and expenditure object groups are defined at the end of this section.

7. The end of the financial information presents the budgeted headcount and full-time-equivalent (FTE) position information by fund and classification, along with the class number and pay grade of each.

Executive Summary



Results Matter Agency Layout

Results Matter (RM) agencies' budgets have been reorganized into program budgets that directly link to the agencies' strategic business plans. Those agencies' budget book pages have been formatted to emphasize their strategic business plans, lines of business, programs, and results for customers, and to link dollars to results at the program level.

Accountability is demonstrated by being willing and able to tell taxpayers what they are getting for their money in terms of results.

Products are countable deliverables that a customer receives from the agency. They things customers receive, not processes the agency does. "Circulating library books" is a process; a library book checked out is a product; "library book check-outs" measure what is delivered to customers.

Programs are groups of products with a common purpose or result.

Lines of business are groups of programs with a common purpose that produce key results for citizens.

The agency's **mission** is a clear, concise purpose for the entire agency, focusing on the broad yet distinct results that it will achieve for its customers.

Strategic goals describe the significant results to be achieved by the agency over the next few years.

Results are the benefit or impact that the customer and citizen experiences as a result of receiving the department's products or deliverables. Results promote accountability.

39 Library-At a Glance

Budget Summary

	2001-02	2002-03	2003-04
Expenditures and Transfers:			
GSD General Fund	\$17,355,888		
Special Purpose Fund	3,350,014		
Total Expenditures and Transfers	\$20,705,902		
Revenues and Transfers:			
Program Revenue			
Charges, Commissions, & Fees	\$415,719		
Other Governments and Agencies	565,943		
Other Program Revenue	772,233		
Total Program Revenue	\$1,703,895		
Non-program Revenue	0		
Transfers From Other Funds and Units	2,992		
Total Revenues	\$1,706,888		

Positions Total Budgeted Positions 409

Contacts Director of Public Library: Donna Nicely
Financial Manager: Chase Adams
615 Church Street 37219
email: donna_nicely@nashville.gov
email: chase_adams@nashville.gov
Phone: 862-5760

Lines of Business and Programs

Reference Information
Ask Your Librarian
Virtual Information Services

Library Materials
Local History and Special Collections
Hands-On Reference
Library Check-out
Engaging the Reader

Equal Access
Equal Access

Education and Outreach
It's Your Library

Town Square
Town Square

Library Customer
Library Customer

Administrative
Nonallocated
Information Technology
Facilities Management
Human Resources
Finance
Procurement
Records Management
Risk Management
Billings and Collections
Executive Liaison

Mission
To provide information, programs, and reference assistance products to individuals, families, and the larger community so they can enjoy the benefits of reading and life-long learning.

Goals
By 2005, citizens of Nashville will experience a significant improvement in the quality and relevance of the library's collections to meet their information needs, as evidenced by:
• 5% increase in circulation
• 20% increase in electronic resource uses
• N/A% increase in on-site use of library materials
• N/A% of cardholders who receive available materials requested in a reasonable timeframe
By 2008, citizens of Nashville will have greater access to free computers as well as expanded opportunities for learning broad-based computer applications and electronic resources, as evidenced by:
• N/A% increase # of on-site computer sessions
• 10% increase # of computer-related classes
• N/A% increase # of remote (virtual) visits
By 2005, NPL will design and implement developmentally appropriate programs and training to support individuals, families and community agencies in order to help increase the pre-school literacy rate and ensure that the children of Nashville enter kindergarten ready to learn, as evidenced by:
• 5% increase in developmentally appropriate programs
• N/A% increase of pre-school literacy rate as defined by metro schools
• N/A% increase of training sessions
By 2005, Nashville's neighborhoods will experience Nashville Public Library as a primary resource for responsive services and programs targeted to meet their specific educational and cultural needs, as evidenced by:
• N/A% increase in neighborhood programs in Spanish
• 10% increase in neighborhood programs for teens
• 10% increase in neighborhood programs for adults & seniors
• N/A% of hours library meeting spaces are utilized
By 2005, more Nashvillians will experience timely access to free information and materials, as evidenced by:
• 5% increase in circulation
• N/A% of NPL cardholders receiving available* material within 48 hours
• 5% increase in off-site catalog searches
*available-meaning on the shelf at the time the item was requested

3. Instead of an organization chart, the bottom of the page presents the agency's lines of business (in bold) and programs.

4. The department's mission and goals are articulated.

www.nashville.gov

Metropolitan Nashville / Davidson County FY 2004 Recommended Budget

www.nashville.gov

G - 2

39 Library-At a Glance

Budget Change and Result Highlights FY 2004

Results Narrative for Loss of State and Federal Funds for FY 03-04

Recommendation

Equal Access

Library Service for the Deaf and Hard of Hearing

Results Matter

5. The department's highlights are presented on a program basis, with result narratives that describe the result of the budget change.

6. Each line of business and its purpose is stated in a text box.

Books and Materials
Several programs are affected by this decision.

Facilities Management

7. Under the line of business, each program is listed, with its purpose ...

... a narrative describing the results expected through this year's budget ...

8. The Administrative Line of Business (ALOB) ends the program list. The ALOB includes certain programs common to most departments. Narratives are given only for those ALOB programs with changes.

39 Library-At a Glance

Library Customer Technical Support

The purpose of the Library Customer Technical Support line of business is to provide technical support products to library customers so they can enjoy reliable automated library service.

Library Customer Technical Support Program

The purpose of the Library Customer Technical Support Program is to provide technical support products to library customers so they can enjoy reliable automated library service.

Results Narrative

The Library Customer Technical Support Program provides technical support products to library customers so they can enjoy reliable automated library service. The percent of customers who enjoy reliable automated library service measures the effectiveness of the library to support its critical, library-specific computer applications, including online catalog, databases, virtual reference services, and public PC operations. Its impact is felt heavily in the

Administrative

The purpose of the Administrative line of business is to provide administrative support services to departments so they can efficiently and effectively deliver results to customers.

Nonallocated Financial Transactions Program

The purpose of the Nonallocated Financial Transactions Program is to provide budgeting and accounting products related to interfund transfers and non-program-specific budgetary adjustments to the department and the Metropolitan Government so they can include such transactions in the department's financial records.

Information Technology Program

The purpose of the Information Technology Program is to provide information technology support products to this Metro department so it can efficiently and securely meet its business needs.

Program Budget	2003	2004
GSD General Fund	\$324,300	\$324,300
FTEs	7.10	7.10

Results	2003	2004
Percentage of library customers who enjoy reliable automated library service	N/A	N/A

Program Budget	2003	2004
Pay Plan	N/A	\$552,100
Transfers	N/A	N/A

Program Budget	2003	2004
GSD General Fund	\$529,001	\$600,100
FTEs	1.00	1.00

Results	2003	2004
Percentage of customer satisfaction with quality of IT services	N/A	N/A
Percentage of customer satisfaction with timeliness of IT services	N/A	N/A

... its budgeted dollars and full-time-equivalent (FTE) positions by fund type ...

... and its key result measure. Most of these measures are new, and base-line data will be developed this year.

9. Financial pages are like those of traditionally-presented departments, (see page A-13), but exclude the department-wide position listings. This is because FTEs are listed for each program, and many positions work in two or more programs.

www.nashville.gov

Metropolitan Nashville / Davidson County FY 2004 Recommended Budget

G - 8

	2003	2004	2005	2006
TOTAL NON-PROGRAM REVENUE	0	0	0	0
TRANSFERS FROM OTHER FUNDS AND UNITS:	0	0	0	0
TOTAL REVENUE AND TRANSFERS	415,719	489,169	467,000	495,000

www.nashville.gov

Metropolitan Nashville / Davidson County FY 2004 Recommended Budget

G - 11

18,596,900

0

18,596,900

495,000

0

0

0

0

0

0

0

495,000

0

0

0

0

0

Executive Summary



How to Read Budget Book Financial Schedules (Revenue and Expenditure Object Groups)

The Chart of Accounts

The budget is organized according to Metro's chart of accounts – the financial accounting and coding structure used in both the budget ordinance and this book. The chart of accounts is composed of funds, business units (BUs), and object accounts.

Funds are accounting entities with their own assets, liabilities, equity, revenues, and expenditures, for certain specific activities or to accomplish definite objectives. Funds may involve many agencies.

Each fund is made up of one or more **business units**. Business Units are the lowest levels for which we need to manage and/or report separate financial data; they represent an organizational unit, program, or activity within an agency and fund. A fund may have multiple business units, but each business unit is associated with only a single fund.

Object accounts represent individual types and sources of revenues or uses of expenditures. All business units use the same account numbers.

The Finance Department maintains financial information in detail by fund, department, business unit, and object account. However, this book presents the budget at a more understandable level by fund (or groups of minor funds) and object group.

How to Read the Financial Pages

Each agency's financial page presents a summary of revenues and expenditures for the department's operations in one of three fund types:

- The GSD General Fund
- The USD General Fund
- Special-Purpose funds, with the combined total of annually-budgeted enterprise, internal service, special revenue, and similar funds.

The top half of the page presents expenses, expenditures, and transfers to other funds and component units of the government. The bottom half presents revenues and transfers from other funds and component units of the government.

The difference between total expenditures and program revenues indicates how much the agency's programs depend on public money.

OPERATING EXPENSE

PERSONAL SERVICES – Salaries and wages (regular, holiday injured on duty, leave, longevity, shift differential, and out of class pay, open range increases, overtime, perfect attendance), fringe benefits (auto allowance, dental, group health, group life, social security, pension, FSA pre-tax savings), and per diem & other fees (instructors, court reporter, game official, jury pay, legislative delegate, other per diem fees, poll workers, witness fees)

OTHER SERVICES:

Utilities – Electricity, gas, water, cable television

Professional and Purchased Services – Accounting, appraisals, architectural, auditing, demolition, dialysis, engineering, facilities management, investigators, laboratory, landscaping, legal, management consultants, project administration, project management, software consultants, subcontractors, administrative services, archiving, billing, bottled water, care of animals, care of persons, chipper service, collections, curbside recycling, flight service, food preparation, grounds maintenance, hazardous waste disposal, health services, internet services, interpreters, janitorial, laundry, meter reading, other purchased services, personal contract service, pest control, property protection, recycling, refuse disposal, sweeping, towing

Travel, Tuition, and Dues – Air travel, local travel, out-of-town travel, parking, employee tuition, membership dues, registration, tuition

Communications – Pagers, postage and delivery, telephones, subscriptions

Printing – Binding, plan printing, sign printing, advertising, and promotion costs

Repairs & Maintenance Services – Automotive repairs, building maintenance, computer repair, electrical repairs, mechanical repairs, office equipment repairs, other repairs, plumbing repairs, road and street paving/repairs

Internal Service Fees – Central printing, facilities project management, information systems, motor pool, office supplies, postal service, radio shop, treasury management

OTHER EXPENSE –

Supplies and materials (auto fuel & supply, books, clothing, computer hardware & software, construction supply, educational supply, electronic parts, fire hydrant parts, food & ice, furniture, laboratory supplies, medical supplies, office supplies, paint, printing supplies, repair & maintenance supplies, signs, uniforms), miscellaneous other expenses & payments (bad debt, council reimbursements, court costs, damages and small claims, parking violation fees, refund errors), fixed charges (bank fees, deferred compensation payments, finance charges, fixed charges, insurance, interest expense, investment fees, rent, surety bonds), licenses, permits, & fees (alarm permits, auto emission tests, beer permits, drivers license, drug tests, elevator permits, food service permits, hazardous waste permits, notary, pharmacy license, software licenses, state water quality permits, underground tank fees, vehicle registrations, water pollution fees), taxes paid by Metro agencies (business tax, demolition, nursing home tax, personalty tax, professional privilege tax, sales tax), and grant contributions & awards made by Metro agencies to

Executive Summary



others (contract performance bonus, contributions and grants, employee awards, training stipend)

PENSION, ANNUITY, DEBT, & OTHER COSTS – Amortization expense, arbitrage rebate, bond sale expense, compensation for damages, debt service, dental claims, depreciation, discount on bonds, educational programs, health claims, interest expense, pension, principal retirement

EQUIPMENT, BUILDINGS, & LAND – Buildings, building improvements, capital outlay, computer equipment, furniture and fixtures, infrastructure, land, machinery, motor vehicles

SPECIAL PROJECTS – Budget allotment offset, budget intra-fund transfer, NCAC charges

TRANSFERS TO OTHER FUNDS & UNITS – Transfers to other funds and component units, debt service, environmental remediation, Farmers Market subsidy, health services, hospital subsidy, hotel occupancy, local match for grants, MDHA, MTA, NCAC, operational transfers, rent, solid waste, stadium debt, Sports Authority

PROGRAM REVENUE – Fees, charges, grants, and contributions specifically generated by or for services that the department provides. They are intended to fully or partially fund the specific program, and so reduce the net cost of the program to be financed from the government's general revenues. They may be generated either from the program's customers (like user fees) or from outside parties (like categorical grants).

Charges, Commissions, and Fees – Admissions, advertising, ambulance fees, appeals, arena operations, auditorium use, concessions, convention center operations, data processing fee, day care service, disposal fee, drug testing fee, dumping, engineering fee, entry fees, external source recovery, facility use fee, Farmers Market fees, fire hydrant inspection, Flea Market revenues, golf cart rental, green fees, hospital fees, immunization fees, internal service fees, legal services, library fees, lobbyist registration, maps, Medical Examiner fees, medical services, membership fees, Municipal Auditorium operations, NCAC reimbursements, parking, Police secondary employment, publications, raceway revenue, radio repair, state fair revenue, vehicle emission test fees, workshop fees, court clerk commissions and fees, elected officials commissions and fees, Metro court fees

Other Governments and Agencies – grants, donations, and other revenues from other governments and agencies, broken out as follows:

Federal Direct – Department of Justice revenue sharing, Federal Medicare, Federal SSI reimbursement, other federal grants

Federal Through State – Federal revenue sharing through state, Medicaid/TennCare through state

Federal Through Other Pass-Through – All federal payments other than federal direct or federal through state, including Medicaid/TennCare through other, Medicare through other

State Direct – Alcoholic beverage tax apportionment, drug enforcement, education appropriation, excise tax allocation, felony forfeitures, gas & fuel tax (city and county), gas inspection fees, post-mortem reimbursement, sales tax levy

Other Government Agencies – Other Tennessee government agencies, agencies of other governmental units

Other Program Revenue – Cash contributions, contribution from a group or individual, deferred compensation contribution, sale of donated property, cost reimbursement, litigation settlement, premium for property loss, premium for self-insured liability, recycling rebate, sales of miscellaneous items, unapplied deposit, unclaimed property, vending revenue, bond proceeds, contributions of capital, easement rights, finance charges, Metro Investment Pool interest, notes proceeds, premium on bonds

NON-PROGRAM REVENUE – Revenues that are recorded by the Fastnet accounting system in the department's business units, but are not intended to support the department's programs. This includes:

Property Taxes – In-lieu payments, personal ad valorem tax, personal property tax, public utility tax, real property tax

Local Option Sales Tax – Local option sales taxes, Tennessee telecommunication sales tax

Other Taxes, Licenses, and Permits – Alarm device permits, alcoholic beverage tax, beer permits, building permits, business tax, emergency wrecker license, excavation permits, franchises, hotel occupancy taxes, marriage license, motor vehicle license, obstruction permit, plumbing permits, sidewalk & right-of-way permits, solicitation permits, taxicab license, temporary street closure permits, wholesale liquor tax

Fines, Forfeits, and Penalties – Civil fines, confiscated cash, court-ordered restitutions, DUI fines, judgments recovered, litigation tax, Metro court fines and costs, offender program income, traffic violation fine, vehicle tow-in fees, warrant fees

Compensation From Property – Abandoned vehicle auction, external source recovery, gain (loss) on sale of property, insurance recovery, rent, subrogation recovery

TRANSFERS FROM OTHER FUNDS AND UNITS – Capital improvement plan, Council appropriations, debt service, environmental remediation, equity transfers between funds, Farmers Market subsidy, hospital subsidies, legal services, local match for grants, Police service, school program.